Mike Stearns 47375 W. Dakota Ave. Firebaugh, Calif. 93622

September 13, 1999

Mr. Lester Snow, Executive Director CalFed - Bay Delta Program 1416 Ninth Street #1155 Sacramento, CA 95814

RE: Written comments partially presented at public hearing held in Los Banos

Dear Lester,

I am Mike Stearns. I serve as president of the San Luis Delta Mendota Water Water Authority and I am manager of the Hammonds Ranch which is located in the Panoche and Firebaugh Water Districts.

We grow tomatoes, garlic, onions, asparagus, cotton, grapes, almonds and melons. Most of these crops are now irrigated by sprinklers and drip irrigation which have required taking on additional long term debt to finance their use. We employ about 60 permanent and 150 seasonal employees.

My perspective is from both an ag service contractor who is struggling to survive with reduced water supplies and of an exchange contractor who has had to nearly cut off historical drainage discharges and could now be hit with shortages due to the current B2 policy and Trinity decisions, which could then ripple on to effect the Friant Water Users and ground water use.

When we signed the Accord nearly five years ago we thought we were giving up about 30% of our supply, **temporarily**, in order to buy time to develope and implement a long-term solution.

We believed that the CalFed program would provide for restoration of the Bay-Delta ecosystem, as well as restore us over a **reasonable** time to our original level of supply. As I look at the program depicted in this EIS, I see very little that would achieve that goal. Especially in time frame which we need to deal with the overwhelming cost increases we've had to incur due to the reduced supply. The only element that gives us any hope of beginning to restore our supply is the South Delta program, which unfortunately would not be brought fully on line until 2012, according to the draft EIS.

In the meantime, we have a federal government conducting water policy as if the only way to solve California's water problems is on the backs of "big corporate agribusiness" in the San Joaquin Valley. Witness the handling of the delta smelt situation, the latest B2 proposal, and now the latest indignity on contract renewals.

This state of affairs cannot and should not be allowed to go on. We have survived the last five years simply because they were wet. And, instead of being good years when we could put money in the bank and water in reservoirs to get us through the dry years, we will be facing the next drought on the thinnest of margins financially and hydrologically.

We have stayed engaged in the CalFed process because we believed there was going to be solutions based on getting better together and that this would produce the necessary attitudes, accountability and trust that are essential to ever make this work. It is not happening and our backs are up against the wall. We do not have the luxury of time to wait for improvements in the reliability of our supply and deliveries. It must be happen in the first Stage of actions.

Over the last ten years we have had to live with basically the same commodity prices while our cost for labor have increased 30%, machinery 25% and water 600% which does not include the cost to apply it. We cannot continue to produce the reliable, high quality food supply at an affordable price for all citizens which society currently takes for granted.

Our area has shown it can make real progess in solving our current problems if there is cooperation, funding and an opportunity to put our knowledge to work, not just outside regulation. The examples I refer to are the Grassland Basin Drainage Program and the irrigation equipment acquired through the State Revolving Fund Program. These programs would not have happened nor at the cost, had a governmental agency dictated how it would be accomplished.

We believe in the CalFed program and appreciate the tremendous effort and

accomplishments you and the CalFed staff have made to get us this far. We will do our part to accomplish the CalFed goals as long as we are not spending our efforts in court to protect ourselves and we have clear objectives to work towards such as specific improvements of water quantities stated in the final EIR.

Thank you for holding this hearing in Los Banos.

Sincerely

Mike Stearns